

## COMMITTEE ON FINANCE

**April 16, 2002**

**Upon Recess of BMA**

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Wihby, Gatsas, Guinta, Sysyn, Osborne, Pinard, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault, Forest

Resolution:

“A Resolution providing a supplemental appropriation to the Manchester School District in the sum of \$480,000 for the Fiscal Year 2002.”

On motion of Alderman DeVries duly seconded by Alderman Thibault, it was voted to read the Resolution by title only, and it was so done.

Mayor Baines asked since this is subject to a public hearing, why would be asking for action on this tonight. We haven't had a public hearing yet?

Deputy Clerk Johnson answered it is not a matter of asking for action. What the Board wanted was a discussion with the School District regarding their request and perhaps if the Board desires after that discussion, the reason we put that there may be motions in order is if you decided that you wanted to amend the Resolution in some way, shape or form you could do that before the public hearing. That has been done before. It is not going to get adopted this evening. For instance, I know there was a \$480,000 request that came in and then they said that they needed \$400,000 at the last meeting. If the Board wanted to amend it downward or something they could do that. It is not that they will, but they can.

Alderman Wihby asked can I make a motion to deny it.

Deputy Clerk Johnson replied that depends on whether or not the Chair wants to accept that motion.

Mayor Baines asked could you advise the Chair, Mr. Clark.

Solicitor Clark answered the Chair is the Parliamentarian and may accept or not accept a motion.

Mayor Baines stated just so you are aware we were asked to do some due diligence regarding this question and we have had several conversations with the Finance Officer, the City Clerk, Solicitor's Office and also there have been some conversations with the Department of Revenue Administration. Tomorrow we will be in a position where we actually have a written opinion regarding our ability to move forward with this and we are not prepared to do that tonight because there are still some unanswered questions here. I don't know if Mr. Clougherty would like to expand upon that.

Mr. Clougherty stated we are getting information from the School District and exchanging numbers with them. We are also exploring what the right legal path to follow is. We have had some preliminary discussions with DRA and we hope to get, as you said, something in writing tomorrow. That will help direct what path we are going to take in the future.

Mayor Baines stated so there is really no action required tonight because it is going to a public hearing on Thursday night at which time we will have the information, I believe, for the Board clarifying whether in fact...under the Charter I have not certified after advise from the City Solicitor I am not prepared to do this tonight for the reasons I just outlined.

Alderman Gatsas stated the conversations that we are having with the Department of Revenue Administration, does that have to do with the DOE 25 or MS form.

Mr. Clougherty replied yes.

Mayor Baines stated the question is relative to...there is a Charter provision that basically states and I don't have it in front of me to pull out but Kevin do you have it so I can read it.

Alderman Gatsas asked can I just follow-up.

Mayor Baines answered let me just read this and then I will definitely come back to you. Under supplemental appropriation, Section 6.05 (A), "if during the fiscal year the Mayor certifies, after consultation with and verification by the City Finance Officer that there are available for appropriation revenues in excess of those estimated in the budget, the Board of Mayor and Aldermen may make

supplemental appropriations for the year up to the amount of such excess.” That is the wording that we are looking at very, very carefully and we have had some preliminary discussions but we haven’t received an opinion in writing and we are going to be asking about that tomorrow.

Alderman Gatsas asked so it has to do with the revenues that were produced on the MS form...the Mayor’s budget that you presented versus what they signed-off on at DRA.

Mayor Baines answered the issue is and we are talking about the Charter now. The Charter seems to be on our glance at it today is that unless they are in excess of those estimated during the budget process, which is the legislative body prerogative under the Charter as we are interpreting it preliminarily anyway that that could provide an obstacle for us moving forward.

Alderman Wihby stated I think whoever wrote that Charter knew what they were writing. That stops them from underestimating the revenues like they did and using them the following year. So if you use your number, your Honor, that was put in and it was \$1 million that we told them they were going to get that they decided in July or August after the budget was done or in September that they were going to make it smaller then that doesn’t enable them to use that money and that is what I have been arguing right along. That they underestimated their revenues when they went there. The taxpayer paid the extra money early because the rate was higher than we had set because we got less revenue and now they come back and make it look like we have a surplus and I use the word surplus and everyone thinks wow they did good. If you look at their budget and I know that School Committee Member Donovan is here and I would like to ask him a question. We saw a sheet last week that showed that they were in the good, \$30,000 or \$90,000 but there was a footnote and nobody talked about the footnote of \$250,000. I would like to know your Honor, if that footnote...I mean that number has to be used in the budget. Does that mean it is a negative and they overspent already without the excess surplus that they talked about? Can someone answer that question?

Mayor Baines replied we can have the Chairman of the Finance Committee come forward. I also want to clarify another part of this. We are talking about the Charter but we are also looking at the agreement that was struck between the Board of School Committee and the Aldermen that has a provision in it that any surpluses in the School District budget must be used for deficit reduction. So, we are looking at the language of both of those and I should be able to come up with an opinion tomorrow as to whether or not I can, in fact, certify. That is basically where we are at right now.

Alderman Wihby asked can we have Mr. Donovan come up. Wasn't Ron supposed to be here and Mr. Plodzick?

Mayor Baines answered I don't think tonight because there is a public hearing.

Alderman Wihby stated I thought they were supposed to come in and talk to us.

Deputy Clerk Johnson replied they were.

School Committee Member Donovan stated we had everybody ready to go this afternoon to come and speak with you but because the administrators on the School side and City side are still talking, the understanding I have and Mr. Clougherty can confirm this as well, the decision was made that this wasn't the night to have this discussion because the numbers weren't ready. We would like to have that discussion on Thursday night when we will be back here before you.

Alderman Wihby stated I have a question on the footnote. The last time you were here you passed out the operating budget and on the expense side it had a +\$30,000 or +\$90,000 so somebody sat here trying to say we have met our obligation and we are not going to overspend. When I got home I noticed there was a footnote that said \$244,000 unanticipated debt service. That was not included in that number. Is it true that if you include it in that number, which you have to include it in the number, that you are now running at a deficit and you have used the SCIP money besides? Is that true?

School Committee Member Donovan replied that is a three-part question. Which part of the question would you like me to answer?

Alderman Wihby asked is it true that if you include that in the budget you are at a deficit right now.

School Committee Member Donovan answered yes but we also believe that because of the settlement of the Declaratory Judgement action there is a question about whether that is an appropriate bill that should be placed before the School District this fiscal year. There is a timing issue and we are looking into that.

Alderman Wihby asked what do you mean by that.

School Committee Member Donovan answered as to whether or not we owe the money now or whether or not we owe the money for next fiscal year.

Alderman Wihby asked why would you owe it next year. What does the auditor say, that it is due now?

School Committee Member Donovan answered no.

Alderman Wihby asked the auditor says it is due next year.

School Committee Member Donovan answered the auditor doesn't have an opinion on it and that is why it is a question still up in the air. Our auditor doesn't keep our books. He reviews the books.

Alderman Wihby asked is it true that if you didn't have the SCIP money that you would have a deficit. Do I read that chart to show that you are only at \$30,000 or \$90,000 plus because you have used all of the extra SCIP money, the \$400,000?

School Committee Member Donovan replied I am not so sure about that, no because we certainly spent a significant portion of the SCIP money and have also appropriated \$250,000 that doesn't show on that sheet, which was taking from excess bond revenue which is going to help with the engineering and architectural work for the upcoming capital projects, including the high school.

Alderman Shea stated maybe it would be well if Alderman Wihby could submit those questions in writing and we could move on. Obviously I think we are going to go through the same scenario on Thursday night so in the sense of brevity and so forth, if Alderman Wihby has several questions and he would like them to be answered, he could submit those in writing before the meeting and then we would have them available so that we wouldn't be going over the same questions on Thursday night.

Alderman Wihby replied I was told that we were going to have them here to answer the questions. Every time we have a meeting, we wait for them and they don't show up and then I don't get my questions answered.

Alderman Shea stated well maybe if you submit them in writing...

Alderman Wihby interjected they were coming so why should I submit them in writing.

Alderman Shea replied for Thursday's meeting.

Alderman Shea moved the question. Alderman DeVries duly seconded the motion.

Deputy Clerk Johnson stated we don't have a question that can be moved.

Alderman Shea stated I would like to move Item 3 because I think that is going to be referred to a public hearing on May 6.

Mayor Baines stated you could move to end the discussion.

Alderman Shea replied well I move to end the discussion because we are going to go on forever here tonight.

Alderman Wihby asked what is the motion.

Mayor Baines answered the motion is to end the discussion on this and wait for the public hearing.

Alderman Wihby asked do you want me to ask these questions at a public hearing.

Mayor Baines answered well we have a meeting on the budget on Thursday night following the public hearing. The whole School Administration staff will be here on Thursday evening.

Alderman Gatsas stated if you don't sign-off on it, your Honor, there is nothing to discuss so Alderman Wihby won't get his answers.

Mayor Baines replied he can always get his answers.

Alderman DeVries duly seconded the motion.

Deputy Clerk Johnson stated I just want to clarify that the motion is to end the discussion, I understand that, but are you also intending to refer this to the FY03 because we need to revise the agenda for Thursday night if you are going to take this item up there. It is a special meeting for FY03 and that is the way it has been advertised and it is a Finance Committee meeting for that purpose.

Solicitor Clark stated you can refer it to the Finance Committee.

Deputy Clerk Johnson replied I just want to make sure that is intended as part of the motion.

Alderman Shea stated yes that is the intent.

Deputy Clerk Johnson stated so the motion is to end the discussion and refer the item to the Finance Committee meeting on Thursday evening.

Alderman Garrity stated we have a tabled item. Can that be discussed during the public hearing? The tabled item on the BMA agenda?

Deputy Clerk Johnson stated it is not at the public hearing level, it was referred to the Finance Committee meeting following the public hearing and we will refer both of those items.

Alderman Lopez asked doesn't the \$480,000 have to be changed to \$400,000.

Deputy Clerk Johnson answered it can be changed at that meeting on Thursday night.

Mayor Baines called for a vote on the motion to end the discussion and refer the item to the Finance Committee meeting on Thursday evening.

Alderman Shea requested a roll call vote. Aldermen Shea, DeVries, Thibault, Forest, Sysyn, Osborne, O'Neil, and Lopez voted yea. Aldermen Garrity, Smith, Wihby, Gatsas, Guinta, and Pinard voted nay. The motion carried.

Alderman Wihby asked what did we do with Item 3.

Deputy Clerk Johnson answered that item has been referred to the Finance Committee meeting on Thursday night. We will so revise the agenda and send it out to you. That included the tabled item that got referred to Item 3 as well.

#### Appropriating Resolutions:

"A Resolution appropriating to the Manchester Aggregation Program the sum of \$764,816 from Aggregation Fees for the Fiscal Year 2003."

"A Resolution appropriating to the Manchester Airport Authority the sum of \$41,938,254 from Special Airport Revenue Funds for Fiscal Year 2003."

"A Resolution appropriating to the Central Business Service District the sum of \$205,833 from Central Business Service District Funds for Fiscal Year 2003."

“A Resolution appropriating the sum of \$2,686,167 from Recreation User Charges to the Recreation Division for Fiscal Year 2003.”

“A Resolution appropriating the sum of \$13,941,680 from Sewer User Rental Charges to the Environmental Protection Division for Fiscal Year 2003.”

“Appropriating all Incremental Meals and Rooms Tax Revenue Received by the City in Fiscal Year 2002 and held in the Civic Center Fund, for the payment of the City’s Obligations in Said Fiscal Year Under the Finance Agreement.”

“A Resolution appropriating to the Manchester Transit Authority the sum of \$725,000 for the Fiscal Year 2003.”

“A Resolution appropriating to the Manchester School Food and Nutrition Services program the sum of \$4,750,000 from School Food and Nutrition Services Revenues for Fiscal Year 2003.”

“A Resolution appropriating to the Manchester School District the sum of \$121,148,267 for the Fiscal Year 2003.”

“Raising Monies and Making Appropriations for the Fiscal Year 2003.”

On motion of Alderman Forest, duly seconded by Alderman Shea, it was voted to read the Resolutions by title only, and it was so done.

Alderman Wihby stated to go back to Item 3, I thought the motion was to end the discussion.

Mayor Baines replied the Clerk read the motion. Could you repeat it again, Carol?

Deputy Clerk Johnson stated it was to end the discussion and refer the item to the Thursday Finance Committee Meeting.

On motion of Alderman Lopez, duly seconded by Alderman Forest, it was voted to suspend the rules and dispense with the reading by titles only.

On motion of Alderman Shea, duly seconded by Alderman Garrity, it was voted that the Appropriating Resolutions be referred to a public hearing on Monday, May 6, 2002 at 7 PM in the Aldermanic Chambers, City Hall.



Report of the Committee on Community Improvement recommending that the FY03 CIP budget resolution be amended by replacing references to the 2003 to 2007 period with 2003 to 2010 period.

On motion of Alderman Shea, duly seconded by Alderman Forest, it was voted to approve the resolution as amended.

A report of the Committee on Community Improvement recommending that the following FY03 CIP projects be expedited in FY02:

511402	Derryfield Park Rehabilitation Program (\$150,000.00)
511502	School Site Improvements (\$350,000.00)
714302	Bridge Rehabilitation Program (\$200,000.00 Bond, \$520,000.00 State)
714202	Annual ROW Reconstruction (\$250,000.00)
714402	Sidewalk Improvement Program (\$230,000.00)
310402	School Capital Improvement Program (\$3,640,000.00)
811402	City Motorized Equipment Replacement (\$600,000.00)

Alderman O'Neil moved to accept, receive and adopt the report. Alderman Garrity duly seconded the motion.

Alderman Gatsas asked can I get some clarification on the Derryfield Park Rehabilitation Program. Is that total of \$300,000, \$150,000 from last year and \$150,000 from this year?

Ms. Goucher replied yes.

Alderman Gatsas responded so the answer is yes that it is \$300,000 on a \$600,000 project that we talked about last year.

Ms. Goucher replied yes.

Alderman Gatsas stated so we still need \$300,000 to complete this project. So are we expediting the \$150,000 that was there from last year? What are we doing with the \$150,000 that was there from last year?

Mr. Maranto stated those funds are presently being utilized.

Alderman Gatsas asked at Derryfield Park.

Mr. Maranto answered that is correct.

Alderman Gatsas asked the \$150,000 from last year is being utilized there now and there is an additional \$150,000 from this year that is going to be utilized there.

Mr. Maranto answered that is correct.

Mayor Baines called for a vote. There being none opposed, the motion carried.

Resolution:

“Approving the Community Improvement Program for 2003,  
Raising and Appropriating Monies Therefore, and Authorizing  
Implementation of Said Program.”

On motion of Alderman Pinard, duly seconded by Alderman Thibault, it was voted to read the Resolution by title only and it was so done.

Deputy Clerk Johnson stated I now need to detail what needs to be done to amend the Resolution. The motion would be to amend the Resolution by deleting projects from Table 4 – General Obligation Bonds as follows:

510503 Derryfield Park Rehabilitation Program (\$150,000.00)

510703 School Site Improvements (\$350,000.00)

710003 Bridge Rehabilitation Program (\$200,000.00)

711203 Annual ROW Reconstruction (\$250,000.00)

711403 Sidewalk Improvement Program (\$230,000.00)

810803 School Capital Improvement Program (\$3,640,000.00)

810903 City Motorized Equipment Replacement (\$600,000.00)

changing the total of Table 4 from \$13,000,000 to reflect a new total of \$7,580,000.00 and by deleting projects from Table 1 – Federal, State, Other funds as follows:

710003 Bridge Rehabilitation Program (\$520,000.00 State)

changing the total of Table 1 from \$17,691,411.00 to reflect a new total of \$17,171,411.00 and by amending page 2, paragraph 3 of the resolution by deleting the amount of 17,691,411.00 and replacing same with \$17,171,411.00; and further by amending page 3, paragraph 1 of the resolution by deleting the amount of \$13,000,000.00 and replacing same with \$7,580,000.00.

On motion of Alderman Osborne, duly seconded by Alderman O'Neil, it was voted to amend the Resolution.

Deputy Clerk Johnson noted that further recommendations from the CIP Committee will come to the Finance Committee at a later date.

Resolutions:

“Amending the 2000 Community Improvement Program, authorizing and appropriating funds in the amount of Sixty Five Thousand Dollars (\$65,000) for the 2000 CIP 410900 Gang Interdiction Program.”

“Amending the 2000 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Sixteen Dollars and Thirty Seven Cents (\$216.37) for the 2000 CIP 420700 Bulletproof Vest Program.”

“Amending the 2001 Community Improvement Program, authorizing and appropriating funds in the amount of Twenty Seven Thousand One Hundred Seventy Dollars (\$27,100.00) for the 2001 CIP 220301 Homeless Health Care Program.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Ten Thousand Three Hundred Sixty Four Dollars (\$10,364.00) for the 2002 CIP 210402 Homeless Health Care Program.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Thirty Thousand Dollars (\$30,000) for the 2002 CIP 411902 Operation Streetsweeper Phase 1 Program.”

“Amending the FY 2000 & 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of One Thousand Dollars (\$1,000) for FY 2002 CIP 212602 – MCCY Mini-Grant Project.”

“Amending the 2001 & 2002 Community Improvement Program, transferring and authorizing and appropriating funds in the amount of Fifty Thousand dollars (\$50,000) for the 2002 CIP 711902 Chlorine Building Floor Replacement Project.”

“Authorizing the Finance Officer to effect a transfer of Ten Thousand Dollars (\$10,000) from Contingency to Traffic for the Middle Lot meters.”

On motion of Alderman O'Neil, duly seconded by Alderman Shea, it was voted to suspend the rules and dispense with the reading by titles only.

On motion of Alderman Pinard, duly seconded by Alderman Forest, it was voted that the Resolutions ought to pass and be Enrolled.

Deputy Clerk Johnson requested a motion to read two new Resolutions by title only.

“Amending the FY1998, FY2001 and FY2002 Community Improvement Programs, transferring, authorizing and appropriating funds in the amount of Sixty Two Thousand Three Hundred Thirty Eight Dollars and Thirty Eight Cents (\$62,338.38) for FY2002 CIP 511602 Gill Stadium Improvements Project.”

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Fifteen Thousand Dollars (\$15,000.00) for FY02 CIP 511702 Prout Park Improvements-Design Project.”

On motion of Alderman O'Neil, duly seconded by Alderman Osborne, it was voted to read the Resolutions by title only and it was so done.

On motion of Alderman Shea, duly seconded by Alderman O'Neil, it was voted that the Resolutions ought to pass and be Enrolled.

CIP Budget Authorizations:

1998	210209	Court Directed Alcohol Education – Revision #2
2000	410900	Gang Interdiction Programs – Revision #2
2000	420700	Bulletproof Vest Partnership Grant – Revision #2
2000	650200	1037 Elm St. Rehab. – Revision #4
2000	820200	Community Development Initiatives – Revision #2
2001	220301	Homeless Health Care – Revision #1
2001	650501	Civic Center Area Revitalization Strategy – Revision #2
2001	740301	Construction S. Mammoth Road Sewer-Phase 1A – Revision #2-Closeout
2002	210402	Homeless Health Care – Revision #1
2002	212602	MCCY Mini-Grant – Revision #1

2002	215102	Respite Daycare for Homeless Children – Revision #1
2002	411902	Operation Streetsweeper Phase 1
2002	510902	Livingston Park Pool & Bathhouse – Revision #1
2002	511602	Gill Stadium Improvements Project
2002	511702	Prout Park Improvements-Design
2002	711902	Chlorine Building Floor Replacement – Revision #1

Deputy Clerk noted we have additions that were included with your handouts.  
Such additions reflected in the listing above.

On motion of Alderman Shea, duly seconded by Alderman Pinard, it was voted to approve the CIP budget authorizations subject to approval of related resolutions.

There being no further business, on motion Alderman Thibault, duly seconded by Alderman DeVries, it was voted to adjourn.

A True Record. Attest.

City Clerk